20 October 1964

STATINTL   To: Contracting Officer, [ ]

STATINTL

Subject: PALMDALE, SITE 2 EXPENSES RELATED TO CONTRACT [ ]

STATINTL

STATINTL   In December 1963 when Contract [ ] was negotiated it was generally
understood that reassembly and flight test of the six (6) airplanes in-
volved under this contract would take place at [ ] Edwards Air
Force Base. In either case all facilities, utilities, maintenance and
janitorial services were to be provided or paid for by the customer.

It has recently been decided to activate Palmdale, Site 2 and to
accomplish the reassembly and flight checks at Palmdale and then fly
the airplanes to Edwards to accomplish Category I and II flight test.

As a result of this decision we must now provide overhead type services
and assume maintenance and utilities expenses related to Site 2.

STATINTL   Pursuant to your approval on October 16, 1964, we will accumulate, separ-
ately, these types of costs related specifically to Palmdale, Site 2, for
the duration of Contract [ ] operations at this Site. This period
covers approximately November 1964 through June 1965. These costs will
be charged to the appropriate A-12 series service contracts (CA-20 -
FT-21) and will be billed at no profit.

Attached is a budgetary estimate of the types of expense and estimated
cost.

Sincerely yours,

STATINTL

[ ]

STATINTL

cc: [ ]

PALMDALE SITE 2
ESTIMATED MONTHLY OVERHEAD TYPE EXPENSE
Provided by Customer [   ] Edwards AFB

STATINTL

Indirect Labor   Per Month

D/37-32 Factory Transportation (2)   STATINTL

D/39-XX Maintenance   (14)

D/72-XX ADP   (12)

D/82-50 Finance (Timekeeper)   (1)

D/90-XX   (11)
   (2 Firemen, 1 Nurse, 8 Guards)

      Labor

      Fringe Benefit & Super. [   ]

      Labor Costs/ Month

      Utilities

      Plant Engr. Supplies, Rep. and Maint. etc.

      Tool Cribs, etc. [   ]

STATINTL

[   ] Month X 8 Months (Nov. '64 thru June '65) =

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STATINTL [   ]

10-13-64